

## Contra Costa County considers taxing, regulating Airbnb in unincorporated areas



Bryce Allemann's guestroom is prepared for today's Airbnb customer.

By Yingshan DengPosted 24 minutes ago

Thirteen-year-old Calico cat Nikita waited by the door when she heard footsteps and the jingle of a keychain. But she knew not to follow her owner, Bryce Allemann, into the guestroom as he started making a bed for today's Airbnb visitor.

The room — with baby blue paint, patterned citrine bed sheets and tropical print curtains — captured a summer vibe even in this early fall season. There was a painting of Lugano's Bay in Switzerland and, above the queen-sized bed, another of cattle. Three towels of different sizes were folded on the bed, along with a piece of Trader Joe's candy. Beside them was a "welcome folder" and a key with the California Bear Flag sticker.

Allemann and his wife, both Swiss, have been hosting Airbnb guests in Richmond for three years. They installed extra outlet adapters on each side of the bed, and added a black layer of curtains so the sunshine doesn't interrupt those sleeping late. They believe the Airbnb housing experience should be "very much a feeling of being at home," he said.

In fact, Allemann sees himself as "a kind of ambassador [for Airbnb visitors] to the area," he said.

This could change for his fellow Airbnb hosts in Contra Costa County, however, as the board of supervisors is considering taxing operators and implementing new laws to regulate short-term rentals.

According to Airbnb spokesperson Jasmine Mora, there are 100 Airbnb rentals in the Richmond, which already taxes operators. She doesn't have the number of Contra Costa County hosts, but officials estimate approximately 200 in the unincorporated areas.

The new rules could impact unincorporated areas like El Sobrante, Kensington and North Richmond, where there are no existing restrictions on short-term rentals, or the rules are not enforced.

The tax, called a Transient Occupancy Tax, is typically paid by hotels, motels and tourists homes. For Airbnb hosts, the tax is collected by the company, then paid to the city or county. The rate varies depending on the contracts signed by Airbnb and the jurisdiction.

County Supervisor John Gioia said that, since hotels are charged with TOT, "we want to equalize that the rental on Airbnb pays that tax, as well."

Currently, Airbnb pays TOT in 29 cities and counties in California, including San Francisco and Oakland. The city of Richmond started collecting TOT in August of this year, and tax revenue has not been reported yet. The tax rate in Richmond is 10 percent, while average rate in California is 11 percent.

Allemann was concerned that "as the city or county taxes Airbnb hosts they also limit the exposure of positive public relations made by Airbnb hosts can have to visiting out-of-towners." He also would like to see a report of how local governments use the Airbnb taxes.

In addition to collecting taxes on Airbnbs, the board of supervisors is also exploring how to regulate short-term rentals in the unincorporated areas, in response to the housing crisis, according to Gioia.

He pointed out that, when more people take their houses out of long-term rental market and lease them on Airbnb, it decreases the rental-housing supply. "Between the shortage and high cost of housing, we want to protect long-term rentals, but we also understand the property owners' ability to have some short-term rentals," Gioia said.

State law makes it easier for home owners to build an accessory dwelling unit on their property, such as an in-law or cottage unit.

These polices were meant to encourage people build more units for permanent housing. "There's interest in trying to make sure the grow of the supply of housing, and not just provide short-term vacation rental space," said John Kopchik, director of Department of Conservations and Development.

The board asked Kopchik's department to determine whether the county needs to clarify its regulations of short-term rentals and, if so, what and how they need to permit.

Other concerns include neighborhood safety and even parking. But both Gioia and Kopchik emphasized that it's still premature to say what the Airbnb regulation would look like.

Since each community may have different priorities, it is possible that new regulations will vary. But Kopchik emphasized that it's premature to know whether there'll be uniform policy or multiple plans.

Before developing any new rules, the county is planning to ask for resident feedback at meetings over the next few months, which will be held in El Sobrante, North Richmond, Kensington and other unincorporated areas.

Kopchik and his colleagues presented multiple regulatory options during a board of supervisors meeting in September. He said that they are expected to report back with additional recommendations in February 2018.

In the meantime, Allemann hopes that the new regulations don't ruin the spirit of home-sharing. "It's almost like a friend of a friend that is coming out to stay," he said of the hosting experience, adding that Airbnb homes shouldn't be rented out just for profit.

His cat, Nikita stretched on a rug and lay in the sun.

Allemann looked her way. "She actually gets more compliments than us," he said.